LIBRARY
UPREME COURT, U. S.

Supreme Court, U.S.
FILED
SEP 26 1970
G. ROBERT SEAVER, CLERK

IN THE

Supreme Court of the United States

October Term, 1970
No. 597

THE BADA COMPANY,

Petitioner,

vs.

MONTGOMERY WARD & CO., INCORPORATED; FMC CORPORATION; WEAVER MANUFACTURING CO., a division of DURA CORPORATION, and BIG FOUR INDUSTRIES, INCORPORATED,

Respondents.

BRIEF FOR RESPONDENTS IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI.

LEWIS E. LYON,
Attorney for Respondents.

Of Counsel:
LYON & LYON,
811 West Seventh Street,
Los Angeles, California 90017.

Parker & Son, Inc., Law Printers, Los Angeles. Phone 685-9790

SUBJECT INDEX

	Page
Statement of the Case	1
Conclusion	11

TABLE OF AUTHORITIES CITED

Cases

Anderson's-Black Rock v. Pavement Salvage Co., 396 U.S. 57	6, 7
Armstrong Paint & Varnish Works v. Nu-Enamel Corp., 305 U.S. 315	10
Graham v. John Deere Co., 383 U.S. 1	5, 6
Hamilton-Brown Shoe Co. v. Wolf Bros. & Co., 240 U.S. 251	10

Rules

Rules of the Supreme Court of the United States. Rule 19	8

Statutes

United States Code, Title 15, Sec. 1052(e)	3
United States Code, Title 35, Sec. 102	2
United States Code, Title 35, Sec. 103	2, 3

IN THE

Supreme Court of the United States

October Term, 1970
No. .....

THE BADA COMPANY,

Petitioner,

vs.

MONTGOMERY WARD & CO., INCORPORATED; FMC CORPORATION; WEAVER MANUFACTURING CO., a division of DURA CORPORATION, and BIG FOUR INDUSTRIES, INCORPORATED,

Respondents.

BRIEF FOR RESPONDENTS IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI.

The Orders, Opinions, Judgments, Findings of Fact and Conclusions of Law relevant to this case are set forth as Items 1 through 6 of the Appendix to the Petition for Writ of Certiorari (Volume II). The Opinion of the Court of Appeals is also reported at 426 F. 2d 8.

Jurisdiction is invoked as set forth on page 2 of the Petition.

Statement of the Case.

This case involves the validity and infringement of Patents Nos. 3,002,388 and 3,055,221, as well as the validity and infringement of the registered trademarks "MICRO" and "MICRO-PRECISION" for balancers and wheel weights.

The '388 patent is for a process of balancing automobile wheels. It involves:

(a) placing a wheel on a bubble balancer and noting the "light point";

(b) placing four equal wheel weights loosely on the rim adjacent the light point;

(c) fanning the weights in pairs outwardly about the rim to effect balance; and

(d) affixing one of each pair on one rim and the other of each pair on the opposite rim at the point of balance.

This patent lies in an ancient art. Wheels have been balanced by affixing wheel weights to the rim since at least the time of the filing of the Hume Patent No. 2,036,757 in 1933 [Deft. Ex. Z] and, in fact, long before that. Both the District Court and the Court of Appeals held it invalid as obvious under 35 U.S.C. § 103.

Admittedly each and every element of this process was old in the art. The prior art, if it did not actually anticipate this patent under 35 U.S.C. § 102, certainly demonstrated that the patentee made no unobvious contribution.

The second patent in suit, the '221 patent, is for a wheel balancer of the pivot type employing a bubble to indicate balance or lack of balance of the pivoted member. The claimed novelty of this patent lies in a cam and spring arrangement associated with the operating handle which automatically removed the balanced element from the pivot whenever a wheel was removed.

This patent too lies in a crowded art. Automatic "off-on" devices for balancers were known before, even in wheel balancers. Both the District Court and the Court of Appeals held that this patent was also invalid under 35 U.S.C. § 103 for obviousness. Neither Court felt that the use of a cam and a spring to achieve the old function of moving a balancer from on to off was beyond the skill of the artisan.

The trademarks "MICRO" and "MICRO-PRECISION" are registered for wheel weights and balancers and are employed by petitioner with respect to its patented balancer and weights which might be used in its patented process. The District Court found them valid and infringed. The Circuit Court reversed, finding both marks invalid as "merely descriptive" (15 U.S.C. §1052e). The Circuit Court noted that the dictionary connotation of "micro" was "extremely small" which is a virtue petitioner claims for its weights and that "precision" was clearly descriptive of balancers and that in "MICRO-PRECISION", "micro" only strengthened the meaning. In finding the words in question descriptive the Circuit Court noted the complete lack of any showing of "secondary meaning".

Respondents respectfully submit that this case does not present any question of any kind which calls for or would justify the consideration of this Court. Four Judges have unanimously agreed that two patents are invalid under 35 U.S.C. § 103 and three Judges have agreed that when you are talking about balancers or weights to be used with such balancers the words "precision", "micro-precision" or "micro" are descriptive and hence not available for any one user to monopolize.

The "Questions Presented" as set forth in the Petition are simply non-existent. So far as can be ascertained from the Petition the petitioner seems to be objecting to the mental processes employed by the Judges who ruled against him, but the record does not bear him out. In his Opinion written for the Court of Appeals of the Ninth Circuit, Circuit Judge Wright carefully analyzed the process of the '388 patent, found it to consist of four steps all individually old in the art, pointing out where in the prior art he found each element. He then concluded that the patent was invalid particularly as each of the four elements in the process performed exactly the same function in the patented process as it had performed in the prior art, saying:

> ". . . 'Two and two have been added together, and still they make only four.' *Great A. & P. Co., supra*, 340 U.S. at 152."

This method patent is invalid for so many reasons that it is difficult to decide what defense to stress but since petitioner has sought to rely on the Patent Office Board of Appeals' decision it may be well to point out the basis for the decision of the Board was "the failure of the prior art as evidenced by the references before us, to include the recited step of transposing one weight of each pair to the opposite side of the wheel to avoid upsetting the dynamic balance of the wheel is, in our opinion, persuasive of the unobviousness thereof." (See Petitioner's Appendix, pp. 46-47).

This basis has now been completely refuted. Finding 37 reads:

> "37. Dividing the balancing weight, when determined, between the two sides of a wheel rim is old in the art of wheel balancing."

To similar effect are Findings 40, 43, 44, 45 and 46 which specifically find that Dapper, Challenger, Moweco and Speedmaster each teach applying the weights to opposite sides of the rim. This is beyond dispute because it is established by documentary evidence.

The District Court following the direction of this Court in *Graham v. John Deere Co.*, 383 U.S. 1 examined the prior art and entered specific findings concerning the teachings of various prior patents and prior uses which had been documented and then found as a fact that the patented process was "obvious". Considering the fact that all that is involved is the manipulation of four pieces of lead such finding is not startling.

Thus, using the precise directions of this Court, both of the Courts below have begun their judicial process with an inquiry into the scope and content of the prior art and ascertained the differences between the prior art and the claims of the process patent, and found these differences, if any, such as should have been obvious to a man skilled in the art. How this invokes Question 1 of the Petition is not apparent.

Substantially the same statement may be made concerning the other patent in suit, the balancer patent. Judge Wright in his Opinion written for the Circuit Court began with noting that a pivot point balancer was known to the prior art. The only novelty claimed for the patent was the addition of a cam and spring arrangement to the old balancer to automatically move it from "on" to "off" when a wheel was removed, a function performed in the prior art by the weight of the operator's foot. The Court concluded that this use of cams and springs was not non-obvious. Thus here

again, the Court of Appeals followed to a "T" the instructions of this Court in *Graham v. John Deere Co., supra, i.e.*, it determined the scope and content of the prior art and the differences between the prior art and the claims at issue. It then determined that this difference was not beyond the skill of the artisan. Again we ask, "How does this procedure of the Circuit Court invoke Question No. 1?".

The Circuit Court of course merely affirmed the District Court, so perhaps we should look to see whether or not Judge Gray followed the *Graham v. John Deere* procedure. When we make this inquiry we find that Judge Gray entered Findings 21 to 25, all dealing with the specific teachings of the prior art with respect to the balancer patent. Finally, in Finding 25 he finds that the only difference he can find is in the manner of use of the spring, which he finds to be obvious. Thus here again, the correct procedure as set down by this Court was followed.

Petitioner appears to be arguing that the judicial process employed here, as required by *Graham v. John Deere Co., supra,* is to be limited to single element patents. How he can make this argument in face of the fact that on page 13 of his Petition he recognizes the fact that in *Anderson's-Black Rock v. Pavement Salvage Co.*, 396 U.S. 57, this Court applied the same rule to a combination of *four* elements is inexplicable.

Petitioner makes many reckless statements, wholly unsupported by and in fact contrary to the record. For instance, petitioner states that the lower courts gave little or no weight to "the evidence that the Bada method and apparatus patents . . . produce new and

improved results". This is simply not true. The Bada process patent No. 3,002,388 relates to a manner of manipulating well known wheel weights about the rims of tires so as to balance the wheels—and so does every one of the prior art processes cited by respondent. The result is inevitably the same—a balanced wheel. The balancer patent No. 3,055,221 discloses a pivot type wheel balancer which moves from "on" to "off" when desired, but so did the prior patent to Holl No. 2,592,804, a fact noted by Curcuit Judge Wright in his Opinion. Thus, in neither patent do we have any new result.

In like manner, each and every one of the other matters listed as (a) to (h) on pages 9 and 10 of the Petition can be disposed of.

(a) and (d) have been disposed of already. There simply was no new result.

(b) merely means that no one would buy until they saw it work. This is true of everything—patentable and unpatentable.

(c) is merely commercial success which, while conceded, is no substitute for invention. *Anderson's-Black Rock v. Pavement Salvage Co.*, 396 U.S. 57.

(e) is not supported by the record.

(f) The evidence shows that the copying included copying Mr. Vernon Dapper's unique idea (at that time) of having wheels balanced whenever new tires were bought. This accounts for everyone's commercial success in this art.

(g) While it is true that the Ninth Circuit relied upon the same prior art as was cited to the Board of

Appeals, Judge Wright recognized that the patents to Holl No. 2,592,804 and Lowe No. 2,700,892 both "disclose the division of weights and the attachment of one in each pair to the opposite rim." (Appendix p. 5), while the Board of Appeals wholly failed to see this (Appendix pp. 46-47).

(h) The Patent Office did not have the unanimous testimony of the patentee, his expert, and the opposing expert to the effect that adding a spring to the prior art balancer made by Bada would provide the patented "off-on" feature, which is the record before the District Court and the Court of Appeals in this case,

There is absolutely nothing unusual about this case. There is no disagreement between Circuit Courts; there has been no refusal to follow the guide lines of this Court, nor has there been any of the situations specified in Rule 19 of this Court for the granting of a review by this Court. This is simply another case of a litigant who has told his attorney, "We've gone this far, let's go all the way". All the way should end with the denial of this Petition.

This case also involves the validity and infringement of two registered trademarks "MICRO" and "MICRO-PRECISION" for wheel balancers and wheel weights used in such balancing. The Circuit Court held both of these trademarks invalid as "merely descriptive", thus reversing the District Court which had found them valid and awarded $13,350.00 damages for their infringement.

In approaching the question of the validity of these trademarks it is immediately apparent that they are composed of words taken straightly from any Standard English Dictionary. As an engineer one would take micro-precision as meaning accurate to one part out of a million, and that is exactly what Bada is suggesting to its potential customers for its balancers and balancing systems using the "micro" weights. Although it is to be doubted that anyone ever believed that they were being afforded such precision, such puffing is probably within the limits of modern advertising largess. However, can petitioner by registering these words as trademarks keep others from similarly claiming the same virtues for their own goods or services? Can Bada thus subtract these words from the English language except for its own exclusive use? The Ninth Circuit Court didn't think so and it is submitted that it was entirely correct in so holding.

Petitioner complains that Judge Wright in his opinion dissects the trademark "MICRO-PRECISION" and considers the words one at a time, but isn't that the way everyone reads? Furthermore, what sort of a dissecting operation is Judge Wright accused of performing on the word "MICRO"? Was it improper for him to look it up in a dictionary? It is important to keep in mind that none of the defendants except Montgomery Ward are accused of using the trademark "MICRO-PRECISION". FMC and Big Four used "MICRO BALANCE" on their balancers and no trademark at all (so far as this litigation is concerned) on their wheel

weights. Obviously "Balance" does not infringe any one of petitioner's trademarks, so that its entire Complaint must rest upon the use of "MICRO". Thus, the petitioner is forced to do just exactly what it claims was improper for Judge Wright to do. It must dissect its trademark "MICRO-PRECISION" to apply it against FMC or Big Four as it succeeded in getting the District Court to do. (See paragraphs 6 and 7 of the Judgment, Appendix 12).

There was no evidence, "no showing as to secondary meaning", to bring this case within this Court's rulings in *Armstrong Paint & Varnish Works v. Nu-Enamel Corp.*, 305 U.S. 315, or *Hamilton-Brown Shoe Co. v. Wolf Bros. & Co.*, 240 U.S. 251. In fact the claim of infringement relative to "MICRO BALANCE" is clearly within the exceptions noted in the *Hamilton-Brown Shoe Co.* case wherein this Court recognized that a different question would be presented if the mark were "AMERICAN SHOE".

Finally, we can conceive of no great public interest in making it easier for a single person or concern to appropriate to its own exclusive use a word or words taken directly from the dictionary. In fact the trend is in the opposite direction with words which at one time were trademarks becoming generic dictionary words, *e.g.*, Aspirin, Cellophane.

Conclusion.

This case presents no question of public policy, no matter of great general interest, no conflict between Circuits or with prior rulings of this Court, or any other reason for invoking the jurisdiction of this Court. Two rather obvious ideas have been held unpatentable and two words from the dictionary have been held to be descriptive and hence not capable of appropriation as the exclusive trademarks of petitioner. Such rulings do not shock anyone's conscience. The Petition should be denied.

Respectfully submitted,

LEWIS E. LYON,
Attorney for Respondents.

Of Counsel:
LYON & LYON,

LIBRARY
SUPREME COURT, U. S.

IN THE

Supreme Court of the United States

Supreme Court, U.S.
FILED
OCT 9 1970
E. ROBERT SEAVER, CLERK

October Term, 1970
No. 597

THE BADA COMPANY,

Petitioner,

vs.

MONTGOMERY WARD & CO., INCORPORATED, FMC CORPORATION, WEAVER MANUFACTURING CO., a division of DURA CORPORATION, and BIG FOUR INDUSTRIES, INCORPORATED,

Respondents.

Reply Brief of Petitioner in Support of Petition for a Writ of Certiorari (Filed August 26, 1970).

C. RUSSELL HALE,
Attorney for Petitioner.

Of Counsel:
CHRISTIE, PARKER & HALE,
201 South Lake Avenue,
Pasadena, Calif. 91101.

Parker & Son, Inc., Law Printers, Los Angeles. Phone 685-9790

SUBJECT INDEX

Page

Introduction 1

I.

The Questions Presented by Petitioner Are Real and They Should Be Resolved at This Time 2

II.

In Their Endeavor to Support the Piecemeal Analysis of the Bits and Pieces by the Ninth Circuit, Respondents State Many Facts Incorrectly in an Attempt to Avoid an Evaluation of the Inventions and Trademarks as a Whole 3

A. The Method Patent 3

B. The Balancer Patent 10

C. The Trademarks 13

Conclusion 14

IN THE

Supreme Court of the United States

October Term, 1970
No. 597

THE BADA COMPANY,

Petitioner,

vs.

MONTGOMERY WARD & CO., INCORPORATED, FMC CORPORATION, WEAVER MANUFACTURING CO., a division of DURA CORPORATION, and BIG FOUR INDUSTRIES, INCORPORATED,

Respondents.

Reply Brief of Petitioner in Support of Petition for a Writ of Certiorari (Filed August 26, 1970).

INTRODUCTION.

The brief of Respondents, filed in opposition to Bada's petition, completely ignores the issues and tries to convince this Court that there are no questions worth consideration by setting forth unsupportable facts. It runs together a statement of unsupportable facts and an argument based on these facts under the single heading of "Statement of the Case." This is done in an attempt to draw this Court's attention away from the Questions Presented and the issues as to whether the courts should go beyond structural obviousness where the individual elements are old and consider the inventions as a whole and whether they should go beyond what a word means to them and consider instead the meaning to the trade.